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Congress of the United States IVED House of Representatives 03 SEP 29 PH 3: 20

ENERGY AND COMMERCE COMMITTEE
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September 19, 2003 FIDERAL MARITIME COMM

RE: Petition P3-03

Mr. Bryant L. VanBrakle Secretary Federal Maritime Commission 800 North Capitol Street, NW Washington, DC 20573

Dear Commissioners:

I am writing to express my support for the UPS exemption petition currently pending before the FMC regarding Non-Vessel Operating Common Carrier rate publishing requirements. Recent developments and major consolidations within the ocean shipping marketplace demand revisions to the regulations governing NVOCC competition with vessel operating carriers.

As you know, end to end multimodal **freight** services have been under increasing competitive pressure **from** integrated logistic service providers, such as UPS. I believe promotion of this rate and service competition was among the intents of the Ocean Shipping Reform Act. The distinction drawn in the Act between asset operating and non asset operating carriers did not account for those carriers with significant capital and other transportation **infrastructures**.

The Act invested the FMC with authority to consider industry migration and promote parity between competitive environments. Recognizing such differentiation in classes of non vessel carriers would be consistent with the legislative intent of the Act. I believe granting this petition would acknowledge market dynamics, begin to level the playing field between all operators, build upon the FMC's record of promoting the industry, and benefit all shipping consumers.

I am hopeful that the Commission will carefully consider UPS's request and approve the petition.

Sincerely

Charles F. Bass

Member of Congress

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